

MINUTES No. 1
OF THE ANNUAL GENERAL MEETING
OF SHAREHOLDERS OF “ARTSAKH HEK” OPEN JOINT- STOCK COMPANY

General data

<i>Company brand name</i>	<i>“Artsakh HEK” Open Joint-Stock Company</i>
<i>Company address</i>	<i>25a, V. Sargssyan Str., Stepanakert, NKR</i>
<i>General meeting data</i>	
<i>Type of the general meeting of the shareholders</i>	<i>The Annual General Meeting</i>
<i>Form of the meeting:</i>	<i>Joint presence</i>
<i>Date and time of the meeting</i>	<i>30 May 2011; 11.00</i> <i>(local time)</i>
<i>Place of holding the meeting</i>	<i>63, Tumanyan Str., Stepanakert, NKR</i>

Agenda:

1. Approval of annual reports of the Company
2. Approval of annual financial reports
3. Presentation of Auditor's report on Company's financial activity for 2010
4. Selection of Auditing company for 2011
5. Opinion of Revision Committee on the veracity of data in the annual financial reports
6. Decision on paying the annual dividends in the course of the activities of “Artsakh HEK” OJSC for the year of 2010 and approval of the annual size of the dividends
7. Amendment in the company’s charter (change of legal address)
8. Election of the members of Board of Directors of “Artsakh HEK” OJSC

In accordance with the article 71 of NKR law “On joint stock companies” based on the register of shareholders closed on 21.03.2011, all the shareholders, which have the right to participate in the meeting, have been sent voting ballots. The completed ballots were accepted on May 30, 2011, at 16:00pm, at the latest to 25A, V. Sargsyan Str., Stepanakert, NKR.

The registration of the shareholders to the annual general meeting of shareholders began on May 30, 2011, at 11:00am. The registration of shareholders ended on May 30, 2011, at 16:00pm. The annual general meeting of shareholders opened on May 30, 2011, at 11:00am. Counting of votes started on May 30, 2011, at 16:30pm.

The Chairman of the meeting: The Chairman of the company Board of Directors, Spartak Tevosyan.

Secretary of the meeting: Company's corporate secretary, Dmitry Betskov

Members of the counting committee:

- **Chairman of the counting committee: Zhan Hovhanissyan**
- **Member of the counting committee: Artak Tevosyan**
- **Member of the counting committee: Nanar Shakhunts**

The total number of votes belonging to «Artsakh HEK» OJSC shareholders is 7 362 074.

Based on the register of shareholders of March 21, 2011, 7 362 074 owners with voting shares are included into the list entitled to participate at the meeting.

At 11:00am, May 30, 2011 the number of votes owned by the shareholders reached 6 640 500 which is 90, 20% of the total votes of shareholders eligible to participate in the meeting.

In accordance with the article 68 of NKR «On joint-stock companies' law, the general meeting of shareholders is authorized to take decisions when at the close of registration for participation in the meeting were registered shareholders (their representatives), which together own more than 50% of the

outstanding voting shares of the company.

A quorum exists for holding the Annual General Meeting of the Shareholders of «Artsakh HEK» OJSC.

Item 1: The election of the Board of Directors in the following composition:

1	Spartak Tevosyan
2	Vahram Beglaryan
3	Emin Ohanjanyan
4	Meruzhan Babayan
5	Hayk Beglaryan

In accordance with the NKR law on “Joint- Stock Companies” the election of the Board of Directors is carried out by the total voting. During the total voting, the final number of votes of shareholders participating the meeting is decided as a derivative of the number of shares and candidates of the Board of Directors. The shareholders participating in the meeting have the right of voting for the one of the candidates, or to distribute them among two or more candidates in any proportion.

The total number of votes on the first agenda item belonging to the shareholders that are eligible to participate in the meeting is 7362074.

The total number of votes on the first agenda item belonging to the shareholders is 6792816 or 33964080 of total votes, which makes 92.27% of the total votes of shareholders, which are eligible to participate in the meeting.

The number of votes received from the shareholders for the composition of the Board of Directors:

Name and surname of the candidate	Total number of votes
Spartak Tevosyan	6794855
Vahram Beglaryan	6798305
Emin Ohanjanyan	6790415
Meruzhan Babayan	6789965
Hayk Beglaryan	6790415
Total	33963955

Voting results	Total number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
Against	0	
Abstained	25	

The number of votes on agenda item N 1 not participated in the voting results due to the ineligibility of ballots is 100 of total votes.

The resolution is carried:

To elect the following composition of the Company’s Board of Directors:

1	Spartak Tevosyan
2	Vahram Beglaryan
3	Emin Ohanjanyan
4	Meruzhan Babayan
5	Hayk Beglaryan

Item N 2: to approve “Sos Audit” CJSC as a company realizing the financial activity audit of the Company for 2011.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the second item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the second agenda item belonging to the shareholders that are eligible to participate in the meeting is 7362074.

The total number of votes on the second agenda item belonging to the shareholders is 6792558, which makes 92.26% of the total votes of shareholders, eligible to participate in the meeting

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
For	6792048	99.99
Against	0	
Abstained	510	

The number of votes on agenda item N 2 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve “SOS Audit” CJSC as a company realizing the financial activity audit of the Company for 2011.

Item N 3: to approve the “Artsakh HEK” OJSC annual reports, annual accounting statements, and also on distribution of the Company profit on the basis of the performance results for 2010 financial year.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the third item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the third agenda item belonging to the shareholders that are eligible to participate in the meeting is 7362074.

The total number of votes on the third agenda item belonging to the shareholders is 6792558, which makes 92.26% of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
«For»	6792558	100
«Against»	0	
«Abstained»	0	

The number of votes on agenda item N 3 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the “Artsakh HEK” OJSC annual reports, annual accounting statements, and also the distribution of the Company profit on the basis of the performance results for 2010 financial year.

Item N 4: to approve on paying the annual dividends in the course of the activities of “Artsakh HEK” OJSC for the year of 2010, as well as the annual size of the dividends.

In accordance with the article 80 of the NKR law on “Joint- Stock Companies” the decision on the fourth item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the fourth agenda item belonging to the shareholders that are eligible to participate in the meeting is 7362074.

The total number of votes on the third agenda item belonging to the shareholders is 6792558, which makes 92.26% of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
«For»	6792558	100
«Against»	0	
«Abstained»	0	

The number of votes on agenda item N 4 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the «Artsakh HEK» OJSC on paying the annual dividends in the course of the activities of «Artsakh HEK» OJSC for the year of 2010, as well as the annual size of the dividends.

Item N 5: to approve on amendment in the company's charter (change of legal address)

In accordance with the article 80 of the NKR law on «Joint- Stock Companies» the decision on the fifth item on the agenda must be taken by a majority vote of shareholders.

The total number of votes on the fifth agenda item belonging to the shareholders that are eligible to participate in the meeting is 7362074.

The total number of votes on the third agenda item belonging to the shareholders is 6792558, which makes 92.26% of the total votes of shareholders, eligible to participate in the meeting.

Results of the voting:

Voting results	Number of votes	The percentage of the total number of total votes of the shareholders participating in the meeting
For	6792558	99.99
Against	0	
Abstained	5	

The number of votes on agenda item N 5 not participated in the voting results due to the ineligibility of ballots is 0.

The resolution is carried:

To approve the amendment in the «Artsakh HEK» OJSC charter (change of legal address: 25A, V. Sargssyan Str. Stepanakert, NKR)

The given document consists of 6 pages and is made of 2 copies:

Minutes drawing up date: 06.06.2011

Chairman of the Meeting S. Tevosyan _____

Secretary of the Meeting D. Betskov _____